



United States
Department of
Agriculture

July 01, 2004

Food and
Nutrition
Service

3101 Park
Center Drive
Alexandria, VA
22302-1500

SUBJECT: Exclusion of the Housing Allowance for Military Households in Privatized Housing - Reauthorization 2004: Implementation Memo CN 1

TO: Special Nutrition Programs
All Regions

State Agencies
Child Nutrition Programs
All States

In accordance with the Child Nutrition and WIC Reauthorization Act of 2004, the housing allowance for military personnel living in privatized housing will be permanently excluded from income when determining household eligibility for free and reduced price meals or free milk in all of the child nutrition programs. The provision is effective July 1, 2004.

“Privatized housing” refers to the Military Housing Privatization Initiative, a program operating at a number of military installations. This initiative puts the operation of military owned housing under private contractors. Under this privatization initiative, a housing allowance appears on the leave and earnings statement of service members living in privatized housing. It is important to note that this income exclusion is only for service members living in housing covered under the Military Housing Privatization Initiative. It is not an allowable exclusion for households living off-base in the general commercial/private real estate market.

Additional information about DOD’s Military Housing Privatization Initiative, including a list of affected installations, may be accessed at: <http://www.acq.osd.mil/housing>. Please contact Rosemary O’Connell or Barbara Semper at 703-305-2590 if you have questions.

A handwritten signature in dark ink, appearing to read "Stanley C. Garnett".

STANLEY C. GARNETT
Director
Child Nutrition Division